

**UNITED STATES BANKRUPTCY COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

**IN RE:**

RJH and COMPANY, INC.  
etal.,

Debtor

ROBERTA A. DEANGELIS  
UNITED STATES TRUSTEE

Movant

v.

RJH and COMPANY, INC.,  
etal.,

Respondent

Case no. 5:11-bk-02060-JJT

Chapter 11

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CLERK

**DEBTORS OBJECTION AND CONSOLIDATED ANSWERS TO  
THE MOTION OF THE UNITED STATES TRUSTEE TO  
DISMISS CHAPTER 11 CASE**

NOW COMES, RJH and Company, Inc., Debtor and Richard J Harley, Joint Debtor, pro se, hereby objects to the dismissal of our Chapter 11 Case which was filed on March 24, 2011, and in support and response thereto Debtors offer the following:

1. Debtors admit to the allegations in paragraph 4.
2. Debtors admit to the allegations in paragraph 5.
3. Debtors object to allegation in paragraphs 6, 7, and 8.

**DEBTORS ANSWERS TO U.S. TRUSTEE'S MOTION  
TO DISMISS CHAPTER 11 CASE**

In support whereof, Debtors relies on the following:

4. The trustee in paragraph 6 stated in part "Debtor is an artificial entity, as such, it does not have the right to appear pro se...there are exception to that law. In Polycon Corp. v. United States of America (January 8, 1999) the Court stated, "There is no Federal Statue that prohibits a Corporation from being represented by its sole Shareholder...RJH and Company, Inc. was founded by Richard J. Harley in 1989 and the Company is wholly owned and controlled by family members.

One of the very few Published Opinions authorizing representation of a corporation by it's non lawyer shareholder is in the matter of Holliday's Tax Services, Inc., 417 supp 182 (E.D. N.Y. 1976) aff'd, 614 F.2d 1287 (2d cir. 1979). In this case the District Court in New York, reversing a Bankruptcy Court's decision, permitted a corporation to be represented by its sole shareholder..."To require this Corporation to appear by a Lawyer is effectively to exclude it and its sole shareholder from the courts. Id., 447 F supp. at 183. The Court reasoned, ("The traditional rule is unnecessarily harsh and unrealistic when applied in bankruptcy to small, closely-held corporations.")

5. The Trustee, in paragraph 7 and 8 stated in part, Richard J. Harley, the President of the Debtor, has listed himself as joint Debtor"... "The Bankruptcy Code does not authorize joint petitions for more than one entity"... Contrary to Trustees statement, Federal Rules of Bankruptcy Procedure, December 1, 2010, rule 1015 Consolidation or Joint Administration of cases pending in same court, sec b. cases, involving two or more related Debtors, states in part "consolidation of the estates of separate Debtors may sometimes be appropriate, as when the affairs of an individual and a Corporation owned or controlled by that individual are so intermingled that the court cannot separate their assets and liabilities"... the Court may enter orders as may tend to avoid unnecessary cost and delay.

In the instant case the Join Debtor personally, guaranteed a Corporate Promissory Note, to the largest creditor of the Corporation, which cannot be separated. It is also important to note, more than 25 years ago, Plaza One Corporation and Richard J Harley

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filed a Joint Petition under Chapter 11 and successfully reorganized the company and myself. The Corporation at that time owned a Shopping Center and a 20,000 sq. ft. Super Market.

The Debtors conclude, (1) that there is no binding precedent which compels a ruling adverse to Debtors Petition at hand, and (2) there is no Federal Statute which prohibits a Corporation from being represented by its President & CEO. (3) Rule 1015 of the Bankruptcy Code allows Joint Petitioners.


Wherefore, the Debtors respectfully request that this Court enter an Order:

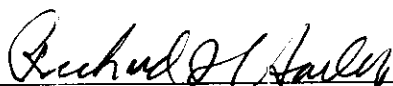
- a. Allowing the President & CEO to represent RJH and Company, Inc. in the Bankruptcy proceedings should we not be able to retain an Attorney.
- b. Authorize Joint Administration of the captioned Bankruptcy Proceeding and,
- c. Granting such other and further relief as is just and proper.

Dated: April 20, 2011

Respectfully submitted,

RJH and Company, Inc. Debtor

  
Richard J. Harley, CEO, pro se  
P.O. Box 337  
Shawnee on Delaware, Pa. 18356

  
Richard J Harley, Joint Debtor, pro se